



STATE OF TENNESSEE
BUREAU OF TENNCARE
DEPARTMENT OF FINANCE AND ADMINISTRATION
310 GREAT CIRCLE ROAD
NASHVILLE, TENNESSEE

This notice is to advise you of information regarding the *TennCare Pharmacy Program*.

Please forward or copy the information in this notice to all providers who may be affected by these processing changes.

With a number of changes that will directly impact providers being implemented for the *TennCare Program*, this notice is being sent as a reminder of those changes. We encourage you to read this notice thoroughly and contact First Health's Technical Call Center should you have additional questions.

Pharmacy Contract Changes:

The contract for pharmacy providers for the TennCare program has been updated and will be effective July 1, 2006. TennCare encourages all pharmacy providers to review the entire contract and submit a new, signed copy to the TennCare offices. The new pharmacy contract is being inserted with the pharmacy remittance advice statements for the next two weeks. Please do not throw away this insert with your pharmacy payment checks. This excerpt was taken from the new contract that is available on the TennCare/First Health website at <http://tennessee.fhsc.com>.

Section 3.1: Payment for Pharmaceutical Services. TennCare shall pay Pharmacy in accordance with the TennCare Pharmacy Manual for Pharmaceutical Services provided by Pharmacy to a TennCare enrollee pursuant to a Prescriber's authorization. Reimbursement rates will vary depending on a type of provider basis (i.e. ambulatory or long term care). Ambulatory pharmacy claims will be reimbursed by paying the lesser of: a) the provider's usual and customary charge to the general public; or b) A.W.P. minus 13% plus a \$2.50 dispensing fee (brand names); or c) A.W.P. minus 13% plus a \$3.00 dispensing fee (generics); or d) MAC plus a \$3.00 dispensing fee. Long term care pharmacy claims will receive: a) A.W.P. minus 13% plus a \$5.00 dispensing fee if the days supply is equal to or greater than 28 (brand names); or b) A.W.P. minus 13% plus a \$6.00 dispensing fee (generics); or c) A.W.P. minus 13% plus a \$2.50 dispensing fee if the days supply is less than 28 (brandnames); or d) A.W.P. minus 13% plus a \$3.00 dispensing fee (generics) ; or e) MAC plus a \$6.00 dispensing fee if the days supply is equal to or greater than 28; or f) MAC plus a \$3.00 dispensing fee if the days supply is less than 28; or g) the provider's usual and customary charge to the general public. If the pharmacy provider is a PHS (340B) provider then the pharmacy provider must bill TennCare its PHS (340B) acquisition price for TennCare recipients served through the PHS (340B) program (see 59 FR 25112, or Federal Register, Vol. 59, No. 92, Friday, May 13, 1994, page 25112).

Pharmacy Provider - Remittance Advice:

This is a new clause for pharmacy providers regarding non-discrimination within the Bureau of TennCare.

In the event of a TennCare Pharmacy Provider determining that he/she cannot establish and/or maintain a professional relationship with a TennCare enrollee or an enrollee's representative, and will no longer provide pharmacy services for that enrollee, this decision is to be reported directly to the Bureau of TennCare. That determination is to be reported to the Bureau of TennCare within twenty four (24) hours. In the event of the date occurring on a weekend (Saturday or Sunday) or a State/Federal holiday, the determination is to be reported on the following business day. The Pharmacy Provider is to report the determination to the Bureau of TennCare at 1-888-816-1680.

Preferred Drug List (PDL) for TennCare:

The following updates will go into effect on July 1, 2006. TennCare began the process of updating the Preferred Drug List (PDL) on July 1, 2005. As new therapeutic classes have been reviewed, changes have occurred to the PDL. As a result of these changes, some medications that your patients are taking may now be considered non-preferred agents. Please inform your patients who are on one of these medications that switching to a preferred medication will decrease delays in receiving their medications. **However, if there is an existing prior authorization in place for that medication, the PA will remain active through the current expiration date. Please attempt to process prescriptions for these medications as your patients may have previous Prior Authorizations in place for these medications.** Please feel free to share the information with all TennCare providers. The individual changes to the PDL are listed below with the changes outlined to make switching to a PDL drug easier for your patients.

- **Gastrointestinal: Laxatives**
 - Kristalose[®] will move to preferred (previously non-preferred)
- **Renal and Genitourinary: Alpha Blockers for BPH**
 - Cardura XL[®] will become non-preferred (new to PDL)

NOTE: All of the aforementioned changes, whether preferred or non-preferred, may have additional criteria which control their usage. Any clinical criteria associated with an agent are noted with a superscripted “CC”. Please refer to the “Clinical Criteria, Step Therapy, Quantity Level Limits for the PDL” document (website link referenced below) for additional information.

Changes to the CC, ST, QL for the PDL (effective 7-1-06):

- **Gastrointestinal agents**
 - Revised criteria for the Proton Pump Inhibitors (PPIs) will go into effect.

Clarification on Benzodiazepines listed on the PDL:

Currently, enrollees under 21, for Medicaid standard, and under 19, for TennCare Standard, are still eligible to receive benzodiazepines as a covered service. Many providers have had questions as to why they are still listed on the PDL if they are not available for all enrollees. The PDL lists the medications that have been reviewed by the Pharmacy Advisory Committee and TennCare. Prescription coverage for TennCare recipients may vary between children and adults. The Preferred Drug List is not a guarantee of prescription drug coverage.

Same Name Prescriber Information:

First Health has been contacted by a couple of prescribers stating that their names are being used incorrectly for prescriptions written by another prescriber. Please verify that the correct prescriber’s name is used when filling a prescription for a TennCare enrollee. There are many prescribers for TennCare that have similar names and making sure the correct prescriber is used will help with refills and other questions regarding proper prescribing practices.

Guide for TennCare Pharmacies: Override Codes

OVERRIDE TYPE	OVERRIDE NCPDP FIELD	CODE
Emergency 3-Day Supply of Non-PDL Product	Prior Authorization Type Code (461-EU)	8
Emergency supply (Rx CHANGED to PDL or PA received after 3-day supply already dispensed) to prevent from counting twice toward script limit	Submission Clarification Code (42Ø-DK)	5
Hospice Patient (Exempt from Co-pay)	Patient Location Field (NCPDP field 307-C7)	11
Pregnant Patient (Exempt from Co-pay)	Pregnancy Indicator Field (NCPDP field 335-2C)	2
Clozapine / Clozaril® (process second clozapine prescription in the month with an override code to avoid counting twice)	Submission Clarification Code (42Ø-DK)	2
Effexor® 225mg (Effexor® XR 75 mg and Effexor® XR 150 mg) – process second rx with an override code to avoid the second fill counting as another prescription against the limit). Two co-pays will apply.	Submission Clarification Code (42Ø-DK)	2
Cymbalta® 90mg (Cymbalta® 30 mg and Cymbalta® 60 mg) – process second rx with an override code to avoid the second fill counting as another prescription against the limit). Two co-pays will apply.	Submission Clarification Code (42Ø-DK)	2

Important Phone Numbers:

TennCare Family Assistance Service Center	866-311-4287
Express Scripts Health Options Hotline (RxOutreach PAP)	888-486-9355
TennCare Fraud and Abuse Hotline	800-433-3982
TennCare Pharmacy Program (providers only)	888-816-1680
TennCare Pharmacy Fax (to reorder Drugstore Notice Forms)	888-298-4130
First Health Services Technical Call Center	866-434-5520
First Health Services Clinical Call Center	866-434-5524
First Health Services Call Center Fax	866-434-5523

Helpful TennCare Internet Links:

First Health Services: <http://tennessee.fhsc.com> under “Providers,” then “Documents”

- Preferred Drug List (PDL)
- Clinical Criteria, Step Therapy, and Quantity Level Limits for PDL medications
- Brand Drugs Counted As Generics
- Short List of Medications

TennCare home website
www.tennessee.gov/tenncare/

Please visit the First Health / TennCare website regularly to stay up-to-date on changes to the pharmacy program. For additional information or updated payer specifications, please visit the First Health Services website at: <http://tennessee.fhsc.com> under “Providers,” then “Documents.” Please forward or copy the information in this notice to all providers who may be affected by these processing changes.

Thank you for your participation in the TennCare program and your commitment to assist your patients as we implement the reforms necessary to bring program costs in line with available funding.